

**United States Small Business Administration  
Office of Hearings and Appeals**

IN THE MATTER OF:

CHARO Community Development Corporation  
  
Petitioner

SBA No. WBC-105

Decided: March 15, 2010

**ORDER DISMISSING APPEAL**

On September 26, 2008, the Small Business Administration (SBA) sent CHARO Community Development Corporation (Petitioner) a Notice of Non-Renewal for Cooperative Agreements SBAHQ-03-W-0010 and SBAHQ-06-W-0024 (Cooperative Agreements). The Notice of Non-Renewal stated the reason for the SBA's action was Petitioner's "Willful or material failure to comply with the terms of the Cooperative Agreement, including relevant OMB Circulars."

On October 29, 2008, the Office of Hearings and Appeal (OHA) received Petitioner's appeal of the SBA's Notice of Non-Renewal. On December 17, 2008, OHA issued *Matter of CHARO Community Development Corporation*, SBA No. WBC-100 (2008), finding the SBA failed to provide Petitioner adequate notice of the reasons and legal authority for refusing to renew the Cooperative Agreements and that the SBA failed to implement review procedures mandated by the Small Business Act. On January 9, 2009, the SBA requested reconsideration of the matter. On February 5, 2009, OHA granted SBA's request for reconsideration. *Matter of CHARO Community Development Corporation*, SBA No. WBC-101 (2009). On September 2, 2009, the matter was assigned to me.

On February 19, 2010, I issued a Show Cause Order. I recited the facts in the case and the law and explained that summary decision is appropriate if "there is no genuine issue as to any material fact." 13 C.F.R. § 134.212. I ordered Petitioner to show why Petitioner's appeal of the SBA's refusal to renew Petitioner's Cooperative Agreements should not be dismissed and why Petitioner opposes summary decision. The Show Cause Order provided Petitioner twenty days to respond. As of the date of this Order, Petitioner has not responded to the Show Cause Order.

Under the terms of the Cooperative Agreements, SBA may terminate, decline to renew, or suspend a cooperative agreement for good cause. Good cause includes a willful or material failure to comply with the terms of a cooperative agreement. Petitioner admittedly failed to comply with a cooperative agreement in material respects which is good cause for the SBA to decline to renew Petitioner's Cooperative Agreements.

Accordingly, no genuine issue of material fact exists because Petitioner acknowledges it failed to comply with the terms of a cooperative agreement. Thus, the SBA is entitled to judgment in its favor as a matter of law.

For this reason, the SBA prevails on the appeal as a matter of law and Petitioner's appeal is DISMISSED.

Subject to 13 C.F.R. § 134.227(a), this shall become the final decision of the Small Business Administration thirty days after issuance.

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BRENDA P. MURRAY  
Administrative Law Judge